



ADMINISTRATIVE DIRECTIVE

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I. **PURPOSE**

This Administrative Directive establishes the rules applicable to pay rate placement of employees within the City of Tucson's compensation system to ensure that all classified and appointed employees are paid at the appropriate pay rate applicable to each employee.

II. **POLICY**

Employees will be paid at the appropriate rate of pay applicable to each employee. If an employee's circumstances change in a manner that affects the employee's pay rate, such change in pay rate shall be administered consistently in accordance with this directive.

III. **HIRE AND REHIRE RATES OF PAY**

Generally employees are hired at the minimum of the pay range. Appointing authorities have the discretion to apply new hire and rehire pay rates up to the midpoint of a range as long as there are valid business reasons for the higher pay, and the pay is within the current department's budget capacity. New hire or rehire pay rates that exceed the midpoint of a range require City Manager approval.

- A. **Classified Employees Hired with a Rate of Pay up to the Midpoint** - The appointing authority may specify the rate of pay by approving the rate noted on the Personal Action Request Form (PARF).
- B. **Classified Employees Hired with a Rate of Pay above the Midpoint** - The appointing authority may request a hire rate of pay above the midpoint by attaching a justification memorandum signed by EOPD and Budget to the PARF. The City Manager will review and either approve or disapprove the rate of pay.
- C. **Appointed Employees** - Employees appointed by the City Manager or by the Mayor and Council may be hired at any rate within the established pay range for that particular position. Movement of an appointee within the established salary range may be based on performance or other criteria established by the appointing official, provided that the appointee's salary does not exceed the maximum for the applicable pay range and is within the budget allocation established for the appointing official's office.

IV. **OUT – OF - CLASS PAY AND TEMPORARY ASSIGNMENT PAY**

Requests to pay an employee for work out-of-class or temporary assignment pay shall be submitted to Human Resources in writing on the appropriate form (see Administrative Directive 2.01-1, Compensation Administration-General Policies, Attachment 1, Out-of-Class Authorization Form).



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A. Pay for Working Out-of-Class

1. When an employee (except for commissioned Fire personnel) is designated by the appointing authority to assume substantially all of the duties of a higher classification due to the absence of the incumbent, the employee shall receive a pay increase of up to five percent (5%), not to exceed the maximum of the employee's pay range. To be eligible for compensation, such assignments must exceed two (2) weeks of consecutive work in the higher classification, be authorized in writing by the employee's appointing authority and approved by the Human Resources Director prior to the start of the assignment.
2. Pay for out-of-class assignments shall begin on the first day of a pay period, end on the last day of a pay period and not exceed ninety (90) calendar days. Appointing authorities shall make every effort to rotate assignments among different staff members. If it is necessary to retain an employee in the out-of-class assignment past ninety (90) days, an extension of the out-of-class assignment must be approved in advance by the Human Resources Director. Out-of-class assignments may be extended only once.
3. Time served in an out-of-class assignment will not be credited toward successful completion of a promotional probationary period.
4. Accrued paid leave used while an employee is assigned to work out-of-class shall be paid at the out-of-class pay rate provided that the employee actually worked at least forty (40) hours, or fifty-six (56) hours for Fire Operations employees, during the pay period.
5. Commissioned Fire Personnel Acting in a Higher Capacity:
 - a. **Consecutive Shifts Worked in a Higher Capacity.** When a commissioned Fire employee is required to act, for more than ten (10) consecutive work days, in a capacity which is normally given to a higher ranking classification, the employee will receive an additional five percent (5%), retroactive to the first day that the employee was acting in the new capacity.
 - c. **Non-Consecutive Shifts Within a Three-Month Period.** When a commissioned Fire employee works over fifty-percent (50%) of the work days in a 3-month period in the higher capacity, the employee will receive an additional five-percent (5%), even if the work days were not consecutive.
 - d. **Leave While Working in a Higher Capacity.** Authorized leave shall not constitute a break in consecutive shifts/days worked in a higher capacity for commissioned Fire personnel.



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B. Temporary Assignment Pay – Temporary assignment pay applies only when the assignment is for either higher level duties or additional duties of a significant nature.

- 1. Temporary Assignments** - Shall have a specified effective date and shall not exceed twelve (12) months in duration unless otherwise specified in the compensation plan.
- 2. Temporary Assignment Pay** - Subject to the Rounding Rule (Administrative Directive 2.01-1, Compensation Administration-General Policies, Section II. T.), an employee on an authorized temporary assignment shall receive a pay increase of five percent (5%) when performing designated temporary assignments. The City Manager may approve a higher temporary assignment pay to meet the needs of the City provided the pay rate does not exceed the employee's pay range.
- 3. Expiration of Temporary Assignment** - Upon assignment expiration, the employee will be returned to his/her prior position at the employee's prior pay rate, subject to any across-the-board increases which may have affected the pay rates for all individuals in that classification. An employee who received a performance-based pay increase while on temporary assignment shall have the performance-based pay increase recalculated upon return to the employee's prior position.

V. PAY ANNIVERSARY DATE

A. An employee's pay anniversary date (see definition) is originally established as the date the employee was hired by the City and may be changed under the following circumstances:

- 1.** When a new Position Compensation Plan is adopted, an employee's pay anniversary date may be changed as required by the adopted salary ordinance.
- 2.** When an employee receives a delayed performance-based compensation increase, a promotion, demotion, reduction in pay or a pay adjustment as a result of a reclassification, the pay anniversary date shall change to the effective date of the change in compensation.
- 3.** When an appointing authority makes a reduction in pay for disciplinary reasons and takes subsequent action to reinstate the employee's pay rate, the employee's pay anniversary date will become the effective date of the reinstatement of the prior pay rate.
- 4.** With the exception of periods when an employee is on approved Family Medical Leave (FML) or military leave, an employee on leave-without-pay



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status for more than ten (10) consecutive working days will have his or her pay anniversary date moved forward the number of days the employee was on leave-without-pay, regardless of whether the employee receives any donated leave during the period of leave without pay.

- B. An appointing authority may request that the anniversary date not be changed for those instances not specifically prohibited by Tucson Code. Such a request must be indicated on the PARF and must be approved by the Human Resources Director prior to implementation of the change.
- C. When an existing classification is assigned to a new pay range based on the recommendation of Human Resources, there will be no change in anniversary dates for the incumbents in that classification.

VI. **PERFORMANCE BASED PAY INCREASES**

It is the policy of the City of Tucson to compensate employees based on their performance. Performance based pay increases shall be available when **funded** by the Mayor and Council and administered in accordance with the direction of the City Manager.

VII. **PAY ADJUSTMENTS**

Based on a review by the Equal Opportunity Programs Division (EOPD) in the Human Resources Department and the Budget Director, appointing authorities may request City Manager approval for adjustments in compensation to address departmental pay equity issues or to retain key employees. The intent of this paragraph is to provide an avenue to address singular bona fide equity or retention issues; not to adjust groups of employees within classifications or work units. Compensation shall at all times remain within the pay range assigned to the position, and the department's current budget. As a general rule, new funding to cover pay adjustments based on pay equity or retention of key employees will not be added to the department budget. All pay adjustments outlined within this AD will be budget neutral.

VIII. **PAY RATE UPON PROMOTION, TEMPORARY PROMOTION, TRANSFER, DEMOTION, OR REDUCTION IN PAY**

Subject to the Rounding Rule (Administrative Directive 2.01-1, Compensation Administration-General Policies, Section II. T.), additional pay is provided to employees promoted to a classification with a higher pay range, assigned to work substantially outside of their classification, performing the duties of a classification that is assigned a higher pay range, or during instances when a special assignment is involved whereby employees perform assigned executive duties ancillary to their base classification, hazardous duty, or perform work in designated public safety positions. Employees who demote to a classification within a lower pay range receive a pay decrease.



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Requests to adjust the pay of an employee due to promotion, transfer, demotion or reduction in pay, shall be submitted to Human Resources in writing on a PARF.

A. Promotion and Temporary Promotion

1. A promotion (or temporary promotion) occurs when a qualified employee is appointed or assigned to a new classification with a higher pay range than the employee's current pay range. Civil Service Rules and Regulations govern permanent and temporary promotional activities and a promotion is subject to normal budgetary and affirmative action reviews. Any qualified permanent full-time or part-time employee may be considered for a promotion.
2. The appointing authority submits a written request on a PARF for approval by the Human Resources Director, indicating the following:
 - a. Subject to the Rounding Rule (Administrative Directive 2.01-1, Compensation Administration-General Policies, Section II. T.), increase employee's pay rate at least five percent (5%) or to the minimum of the new pay range, whichever is greater.
 - b. Assignment pay will be deleted prior to or added after an employee's classification or assignment have been changed, as appropriate to the employee's new position and assignment.
 - c. Other categories of compensation currently received by the employee will be added or deleted as appropriate to the employee's new position and assignment (**Examples**: second language pay or downtown allowance).
 - d. The Human Resources Department processes the changes and updates the employee's record.
3. After consultation with the Human Resources Director and with approval from the City Manager, appointing authorities may award a promoting employee with an increase higher than five percent. The pay rate may not exceed the maximum of the assigned pay range.
4. Temporary promotions exceeding six (6) months require Human Resources Director approval. Temporary promotions may not exceed twelve (12) months, in accordance with Civil Service Commission Rules and Regulations, Rule VI, Section 3.



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B. Lateral Transfer to a Vacant Position

1. The receiving department hiring authority shall submit a written justification to the Human Resources Director, indicating the following:
 - a. The employee is transferring from one department to another department, from one division to another division, or from one classification to another classification (for which he/she meets the minimum qualifications) that is at the same pay range.
 - b. There is no change to the employee's pay rate.
 - c. There is no change to the employee's pay anniversary date.
 - d. The Human Resources Department processes the changes and updates the employee's record.
2. In extraordinary circumstances, upon recommendation of the Human Resources Director, subject to approval by the City Manager in advance of the effective date of the lateral transfer, appointing authorities may award pay rate adjustments to lateral transfers.

C. Voluntary Demotion

1. The appointing authority shall submit a PARF and a written request to demote from the employee to the Human Resources Director for approval, indicating the following:
 - a. Employees demoting prior to passing probation in the promoted classification will be returned to their previous rate of pay prior to the promotion, subject to any across-the-board increases which may have affected the rates for all individuals in that classification.

Employees demoting after successfully passing probation in the promoted classification will receive **at least** a 5% reduction in pay. The resulting new rate will not be less than their previous rate of pay prior to the promotion, subject to any across-the-board increases which may have affected the rates for all individuals in that classification.

In extraordinary circumstances, after consultation with the Human Resources Director, subject to approval by the City Manager in advance of the effective date of the demotion, appointing authorities may waive the pay rate decrease for an employee voluntarily demoting.



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- b. Assignment pay added or deleted as appropriate to the employee's new position and assignment.
 - c. Other categories of compensation currently received by the employee added or deleted as appropriate to the employee's new position and assignment (**Examples**: second language pay or downtown allowance).
 - 2. The Human Resources Department processes the changes and updates the employee's record.

D. Involuntary Demotion

- 1. Employees may be demoted for just cause as a disciplinary measure in accordance with the Civil Service Rules. The appointing authority shall submit a PARF to the Human Resources Director for approval, indicating the following:
 - a. Subject to the Rounding Rule (Administrative Directive 2.01-1, Compensation Administration-General Policies, Section II T.) a decrease in employee's pay by at least five percent (5%) or the next lowest step in the lower pay range which results in a pay decrease of at least five percent (5%), however, in no event will a demoted employee be paid less than the minimum pay for the lower pay range.
 - b. If the employee's current salary step falls between two intermediate steps of the new pay range, the employee's pay rate will be reduced to the lower of the two steps. In no event will an employee receive an increase in pay as a result of a disciplinary demotion.
 - c. Assignment pay added or deleted as appropriate to the employee's new position and assignment.
 - d. Other categories of compensation currently received by the employee added or deleted as appropriate to the employee's new position and assignment (**Examples**: second language pay or downtown allowance).
- 2. The Human Resources Department processes the changes and updates the employee's record.

- E. Reduction in Pay** - Employees may have their pay reduced for disciplinary purposes to a pay rate within their same classification and range. A reduction in pay is not considered a demotion for purposes of this policy.



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F. Failure of Probationary Period

Employees who fail a probationary period and are subsequently reinstated to their former position will be returned to their prior pay rate, subject to any across-the-board increases which may have affected the rates for all individuals in that classification. Civil Service Rules govern expiration of probationary periods. (See Civil Service Rule VII. Section 2.)

IX. PAY RATE UPON RECLASSIFICATION

An employee is reclassified when the employee is assigned to a different classification because it is determined to be more appropriate based on the employee's assigned duties and responsibilities.

- A.** As required by Tucson Code Section 10-37(2), when an employee is reclassified to a classification with a higher pay range, the reclassification will be treated the same as a promotion. If the employee's current salary is lower than the minimum of the salary range of the classification to which the employee's position has been reallocated, the employee's salary shall be raised to the minimum of the new salary range, provided the increase meets the minimum pay requirements for a promotion.
- B.** Subject to the Rounding Rule (Administrative Directive 2.01-1, Compensation Administration-General Policies, Section II. T.), if the employee's current salary falls between two intermediate steps of the new pay range, the employee's salary shall be adjusted to the next highest step of the new salary range, in accordance with the pay rate placement procedure for promotions. If the employee is reclassified to a classification with a lower pay range and the employee's current salary step falls between two intermediate steps of the new pay range, the employee's current pay rate will not change (except for implementation of an across-the-board pay increase paid to all employees) until the employee next receives a performance-based pay increase, at which time the employee's pay rate will move to the appropriate step within the established pay range.
- C.** If the employee's current salary is greater than the maximum of the salary range of the classification to which the employee has been reclassified, the employee's salary shall not change. The employee shall not receive any further salary increases until the employee's salary falls within the salary range of the new classification.



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X. RETROACTIVE PAY ADJUSTMENTS

Appointing authorities shall be responsible for submitting timely documentation for payroll actions. Retroactive pay adjustments should be applied only in instances where unforeseen circumstances prevented timely submission of documentation. Retroactive pay adjustments are limited to the prior twelve (12) months, unless a longer period of retroactive pay is authorized in writing by the City Attorney.


To ensure timely evaluations and pay adjustments for employees, retroactive pay adjustments submitted more than three (3) pay periods after the effective date of the adjustment will require formal approval by the Human Resources Director.

Appendices None

References Tucson City Code Chapter 10
Civil Service Rules and Regulations Rule IX, Sections 2 and 3
Administrative Directive 2.01-1 -- Definitions

Review Responsibility and Frequency The Human Resources Director will review this directive as needed.

Authorized



City Manager

11-19-14
Date